



## 5.3 Redevelopment Financing & Phasing

Typically, the single largest impediment to implementing redevelopment plans is the associated costs - particularly for public sector initiatives (e.g., infrastructure, open space, streetscapes). In this regard, this Butler / Auburn CRP Update outlines all the estimated costs deemed for the full physical revitalization of the Sweet Auburn community over a period of 15-20 years.

### 5.3.1 Redevelopment Costs & Financing

As discussed in the implementation principles on the previous pages, the investment strategy for this CRP update is based on a public-private partnership framework for sharing the costs and risks of redevelopment. The cost summary tables on the pages that follow summarize the anticipated costs of redevelopment and provide an estimate of the sources of potential funding.

#### Redevelopment Costs

While project costs are estimates only, several projects (i.e., the Catalytic Redevelopment Projects) have been looked at in a fair amount of detail relative to comparative projects in the area (see Appendix A). Development costs include a value for land based on recent sales activity in the area. However, in many cases, redevelopment will be initiated by investment groups containing existing property owners, in which case, the value of the land will be equity in the project, and not necessarily a direct expense.

#### Funding Sources

It is critical to understand that the development costs contained herein are not intended to overtly bind any funders or investors, either within the public or private sector. However, as described throughout this plan, the development quantities (or "program") are intended to be considered as formal urban redevelopment "project controls" (within a 10% deviation) and should be used as the basis for assessing development proposals. Anticipated funding sources will come from a wide variety of public sector costs including, among others: Quality of Life Bonds (which have been passed by voters and partially issued by underwriters); Tax Allocation Bonds (through the already existing Eastside TAD); Renewal Communities funds (including former Empowerment Zone funds); Livable Center Initiative (LCI) transportation funds; other TIP funds; and National Park Service allocations.

However, by and large, the private sector will be relied upon for the most of the funding necessary to effectuate full redevelopment of the Sweet Auburn community. In fact, according to the estimates contained herein, \$1.16 of the \$1.33 billion in investment (in 2005 dollars) will come from private sources - in other words, almost a 7 to 1 leveraging ratio of public sector funds.

### 5.3.2 Redevelopment Phasing

In order to realistically minimize demands on limited capital resources, and in an effort to match the likely evolution of the private development market, all redevelopment projects have been divided into three phases, over a minimum of 15 years. Phase 1 (2005 - 2010) is designed to achieve the highest priority redevelopment initiatives and is expected to need the highest degree of public investment. Phase 2 (2010 - 2015) is expected to see a significant improvement in the development market corresponding to growth in all of Downtown. Phase 3 (2015 - 2025) represents the longest term projects including capital projects that will be the toughest to finance.



Figure 5.2:  
Redevelopment Projects &  
Cost Summary

REDEVELOPMENT PROJECTS & COST SUMMARY

REDEVELOPMENT PROJECT		SITE	RESIDENTIAL					COMMERCIAL				INSTITUTIONAL/CULTURAL				COST
Number	Name	Site Area	Renovated Single-Family	New Single-Family (Attached or Detached)	Renovated/Converted Multifamily	New Multifamily Loft/Apt./Condo	TOTAL New/Renovated Housing Units	Renovated Storefront Retail/Entertainment	New Storefront Retail	Renovated Office Space	New Office Space	TOTAL New/Renovated Office Space	Renovated Institutional/Cultural Space	New Institutional/Cultural Space	TOTAL New/Renovated Institutional/Cultural Space	TOTAL ESTIMATED DEVELOPMENT COST
		(Acres)	(Units)	(Units)	(Units)	(Units)	(Units)	(Square Feet)	(Square Feet)	(Square Feet)	(Square Feet)	(Square Feet)	(Square Feet)	(Square Feet)	(Square Feet)	(in 2005 dollars)
CATALYTIC PROJECTS																
1	Dobbs Mixed-Use	5.2	0	0	0	302	302	0	53,100	0	421,500	474,600	0	0	0	\$ 132,163,000
2	Historic Atlanta Life	0.9	0	0	0	0	0	0	6,965	20,000	25,160	52,125	2,500	0	2,500	\$ 6,848,000
3	Georgia State / Fruit Stand	2.6	0	0	0	40	40	4,065	60,852	0	36,052	100,969	0	0	0	\$ 31,875,000
4	Bethel Tower / Beaudry S.	3.2	0	0	180	359	539	9,600	6,000	0	0	15,600	0	0	0	\$ 93,402,000
5	Butler CME / Butler YMCA	1.4	0	0	0	44	44	0	13,365	0	2,415	15,780	0	0	0	\$ 19,268,000
6	Herndon Building	0.4	0	0	6	0	6	13,300	0	37,500	0	50,800	0	0	0	\$ 8,293,000
7	Cultural Arts Center	3.6	0	0	8	55	63	0	28,722	0	100,000	128,722	19,500	122,000	141,500	\$ 52,211,000
8	Hilliard East	2.3	0	0	0	46	46	1,200	16,414	2,400	13,500	33,514	0	0	0	\$ 15,455,000
9	Edgewood North	2.0	0	0	0	114	114	4,000	29,600	4,000	0	37,600	0	0	0	\$ 27,577,000
10	Wheat Street Gardens	12.0	0	0	0	888	888	0	0	0	0	0	0	0	0	\$ 131,700,000
11	Atlanta Overlook	9.6	0	0	0	560	560	11,364	19,100	0	0	30,464	0	0	0	\$ 94,700,000
12	NPS North Parking	6.8	0	0	0	131	131	0	114,760	0	22,938	137,698	0	83,495	83,495	\$ 64,000,000
13	Edgewood Gateway	1.4	0	17	0	0	17	0	7,500	0	7,500	15,000	0	0	0	\$ 5,154,000
OTHER REDEVELOPEMENT PROJECTS																
14	Auburn / Edgewood Pres.	11.0	0	0	0	10	10	250,000	65,000	188,000	53,000	556,000	6,000	0	6,000	\$ 90,160,000
15	Peachtree Commercial	17.9	0	0	0	700	700	0	200,000	0	70,000	270,000	0	0	0	\$ 184,000,000
16	Grady Homes	30.2	0	85	470	634	1,189	0	18,000	0	0	18,000	0	20,000	20,000	\$ 193,255,000
17	Butler Park Residential	13.3	28	7	60	150	245	0	0	0	0	0	0	0	0	\$ 45,125,000
18	Georgia Railroad Corridor	13.0	0	0	22	280	302	60,000	40,000	0	0	100,000	0	20,000	20,000	\$ 74,000,000
		136.6	28	109	746	4,313	5,196	353,529	626,278	251,900	752,065	2,036,872	28,000	245,495	273,495	\$ 1,269,186,000

Notes:  
1) Several projects that are currently in development are not included as "redevelopment projects" (e.g., Sweet Auburn Village, Auburn Glen)  
2) "Converted" multifamily refers to existing non-residential space that is programmed for adaptive reuse conversion into loft housing  
3) "Catalytic Projects" have been studied in greater detail than "Other Redevelopment Projects" from the stand point of market and financial feasibility (See Appendix A)  
4) Development Costs are estimates only and will be confirmed during implementation (See detailed Project Analyses in Appendix A for assumed unit costs)  
5) Development Costs include land value (equity), parking costs and basic project infrastructure



Figure 5.3:  
Public Improvement  
Projects & Cost Summary

PUBLIC IMPROVEMENT PROJECTS & COST SUMMARY

PUBLIC IMPROVEMENT PROJECT		QUANTITY		UNIT COST		TOTAL COST
TRANSPORTATION / CIRCULATION						
A	Houston Street Connection	600	linear feet	\$	1,500	\$ 900,000
B	Pryor-Piedmont "Mew"	1500	linear feet	\$	1,500	\$ 2,250,000
C	Wheat Street Garden Grid	2000	linear feet	\$	1,500	\$ 3,000,000
D	Eastside Trolley	1	lump sum	\$	25,000,000	\$ 25,000,000
E	Intersection Upgrades	3	intersections	\$	100,000	\$ 300,000
PARKS / OPEN SPACE						
F	Grady Homes "Great Lawn"	2.4	acres	\$	200,000	\$ 480,000
G	Wheat Street"Square+Axis"	1.9	acres	\$	200,000	\$ 380,000
H	Butler Park Enhancement	3.5	acres	\$	50,000	\$ 175,000
I	Walden Middle School Fields	2.7	acres	\$	200,000	\$ 540,000
J	Dobbs Plaza Enhancement	1	lump sum	\$	100,000	\$ 100,000
K	Dobbs/Courtland Plaza	1	lump sum	\$	100,000	\$ 100,000
L	Herndon Plaza	1	lump sum	\$	100,000	\$ 100,000
M	Peace Plaza Connections	1	lump sum	\$	250,000	\$ 250,000
STREETSCAPES						
N	Auburn Avenue-Upgrades	5100	linear feet	\$	600	\$ 3,060,000
O	Edgewood Avenue	5400	linear feet	\$	1,250	\$ 6,750,000
P	Jackson Street	3900	linear feet	\$	1,250	\$ 4,875,000
Q	Boulevard	3600	linear feet	\$	1,250	\$ 4,500,000
R	Hilliard Street	2800	linear feet	\$	1,250	\$ 3,500,000
S	Decatur Street	3600	linear feet	\$	1,250	\$ 4,500,000
TOTALS						\$ 60,760,000

Notes:  
1) Public Improvement Costs are estimates only and are not intended to fiscally bind the City of Atlanta, ADA or any of their designees in any way.  
2) Public Improvements do not include several projects that are currently under (e.g., Piedmont Streetscape)  
3) Unit costs for Streetscapes are based on similar experience elsewhere in Downtown and Midtown for both sides of the street and include soft cots  
4) Eastside Trolley costs are pro-rated estimates based on the "Peachtree Corridor Streetcar Feasibility Study" (approximately 50% of the Downtown Loop)



Figure 5.4:  
Redevelopment Phasing &  
Sources Summary

REDEVELOPMENT PHASING & SOURCES SUMMARY

PROJECT			COST		SOURCES							COMMENTS
Number	Name	Redevelopment Phase	Estimated Development Cost (\$2005 Dollars)	Private Equity/Investment	TAD Bonds	Quality of Life Bonds	City of Atlanta/ADA/Renewal Communities	Federal				
CATALYTIC PROJECTS												
1	Dobbs Mixed-Use	2015-2025	\$ 132,163,000	\$ 119,140,000	\$ 12,923,000	\$ -	\$ 100,000	\$ -				
2	Historic Atlanta Life	2005-2010	\$ 6,848,000	\$ 6,178,000	\$ 670,000	\$ -	\$ -	\$ -				
3	Georgia State / Fruit Stand	2010-2015	\$ 31,875,000	\$ 30,112,000	\$ 1,763,000	\$ -	\$ -	\$ -				
4	Bethel Tower / Beaudry S.	2005-2010	\$ 93,402,000	\$ 84,269,000	\$ 9,133,000	\$ -	\$ -	\$ -				
5	Butler CME / Butler YMCA	2005-2010	\$ 19,268,000	\$ 17,384,000	\$ 1,884,000	\$ -	\$ -	\$ -				
6	Herndon Building	2005-2010	\$ 8,293,000	\$ 7,482,000	\$ 811,000	\$ -	\$ -	\$ -				
7	Cultural Arts Center	2010-2015	\$ 52,211,000	\$ 47,106,000	\$ 5,105,000	\$ -	\$ -	\$ -				
8	Hilliard East	2010-2015	\$ 15,455,000	\$ 13,944,000	\$ 1,511,000	\$ -	\$ -	\$ -				
9	Edgewood North	2010-2015	\$ 27,577,000	\$ 24,880,000	\$ 2,697,000	\$ -	\$ -	\$ -				
10	Wheat Street Gardens	2005-2010	\$ 131,700,000	\$ 114,500,000	\$ 17,200,000	\$ -	\$ -	\$ -				
11	Atlanta Overlook	2010-2015	\$ 94,700,000	\$ 82,400,000	\$ 12,300,000	\$ -	\$ -	\$ -				
12	NPS North Parking	2015-2025	\$ 64,000,000	\$ 55,700,000	\$ 8,300,000	\$ -	\$ -	\$ -				
13	Edgewood Gateway	2010-2015	\$ 5,154,000	\$ 4,354,000	\$ 700,000	\$ -	\$ 100,000	\$ -				
OTHER REDEVELOPEMNT PROJECTS												
14	Auburn / Edgewood Pres.	2010-2015	\$ 90,160,000	\$ 83,148,000	\$ 6,762,000	\$ -	\$ 250,000	\$ -				\$250,000 in ADA Façade Program?
15	Peachtree Commercial	2010-2015	\$ 184,000,000	\$ 170,200,000	\$ 13,800,000	\$ -	\$ -	\$ -				
16	Grady Homes	2005-2010	\$ 193,255,000	\$ 178,430,875	\$ 14,494,125	\$ 330,000	\$ -	\$ -				Grady sidewalks and Roads in Quality of Life Bonds
17	Butler Park Residential	2005-2010	\$ 45,125,000	\$ 41,740,625	\$ 3,384,375	\$ -	\$ -	\$ -				
18	Georgia Railroad Corridor	2010-2015	\$ 74,000,000	\$ 68,450,000	\$ 5,550,000	\$ -	\$ -	\$ -				
PUBLIC IMPROVEMENT PROJECTS												
A	Houston Street Connection	2010-2015	\$ 900,000	\$ -	Paid in Project 11	\$ -	\$ -	\$ -				New street paid for out of Redevelopment Project TAD
B	Courtland-Piedmont "Mew"	2010-2015	\$ 2,250,000	\$ -	Paid in Project 15	\$ -	\$ -	\$ -				New street paid for out of Redevelopment Project TAD
C	Wheat Street Garden Grid	2005-2010	\$ 3,000,000	\$ -	Paid in Project 10	\$ -	\$ -	\$ -				New street paid for out of Redevelopment Project TAD
D	Eastside Trolley	2015-2025	\$ 25,000,000	\$ 12,500,000	\$ -	\$ -	\$ -	\$ 12,500,000				
E	Intersection Upgrades	2005-2010	\$ 300,000	\$ -	\$ -	\$ 160,000	\$ 140,000	\$ -				
F	Grady "Great Lawn"	2005-2010	\$ 480,000	\$ -	Paid in Project 16	\$ -	\$ -	\$ -				New park paid for out of Redevelopment Project TAD
G	Wheat Street "Square+Axis"	2005-2010	\$ 380,000	\$ -	Paid in Project 10	\$ -	\$ -	\$ -				New parks paid for out of Redevelopment Project TAD
H	Butler Park Enhancement	2005-2010	\$ 175,000	\$ -	\$ -	\$ -	\$ 175,000	\$ -				
I	Walden Middle School Fields	2010-2015	\$ 540,000	\$ 540,000	\$ -	\$ -	\$ -	\$ -				
J	Dobbs Plaza Enhancement	2005-2010	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -				
K	Dobbs/Courtland Plaza	2015-2025	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -				
L	Herndon Plaza	2010-2015	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -				
M	Peace Plaza Connections	2010-2015	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000				National Park Service
N	Auburn Avenue-Upgrades	2005-2010	\$ 3,060,000	\$ -	\$ -	\$ -	\$ 612,000	\$ 2,448,000				Potential Sources Include LCI/TEA, etc.
O	Edgewood Avenue	2005-2010	\$ 6,750,000	\$ -	\$ -	\$ 600,000	\$ 1,230,000	\$ 4,920,000				Potential Sources Include LCI/TEA, etc.
P	Jackson Street	2010-2015	\$ 4,875,000	\$ -	\$ -	\$ -	\$ 975,000	\$ 3,900,000				Potential Sources Include LCI/TEA, etc.
Q	Boulevard	2010-2015	\$ 4,500,000	\$ -	\$ -	\$ 476,680	\$ 804,664	\$ 3,218,656				Potential Sources Include LCI/TEA, etc.
R	Hilliard Street	2005-2010	\$ 3,500,000	\$ -	\$ -	\$ -	\$ 700,000	\$ 2,800,000				Potential Sources Include LCI/TEA, etc.
S	Decatur Street	2005-2010	\$ 4,500,000	\$ -	\$ -	\$ -	\$ 900,000	\$ 3,600,000				Potential Sources Include LCI/TEA, etc.
			\$ 1,329,946,000	\$ 1,162,758,500	\$ 118,987,500	\$ 1,566,680	\$ 5,986,664	\$ 33,636,656				

Notes:  
1) All costs shown are estimated and not intended to fiscally bind any puplic or private entity in any way  
2) Where not specifically calculated (i.e., Catalytic Projects - see Appendix A), TAD funds are estimated at 7.5% of Total Development Cost based on similar experience  
3) Only a portion of the City of Atlanta "Quality of Life Bonds" have been issued with a second issuance planned  
4) Renewal Communities funds represent a portion of amounts already requested  
5) Federal funds include potential monies from the National Park Service, HUD, FHWA (including LCI matching funds), etc.  
6) Hilliard and Decatur Streetscapes are specifically assumed to be LCI projects (from existing Center City LCI Plan).

## 5.4 Property Acquisition Plan

By virtue of the State of Georgia enabling urban redevelopment legislation, this Redevelopment Plan serves as a formal instrument for conduction proactive, official urban redevelopment processes - most prominent of these is the power of public acquisition of real property to effectuate plan initiatives.

However, it is critical to understand the philosophy of this plan in this regard. The use of public (or publicly-assisted) property acquisition is intended to be minimal or non-existent. In fact, each project has specifically been designed and tested to operate within a 'private market' framework. It is fully expected that necessary property assembly (or equity arrangements) will be initiated and conducted by private-sector interests and possibly supported by the existing Eastside TAD resources, where justified. It is recognized that funds for public property acquisition are typically scarce or nonexistent. Furthermore, social scars and stigmas of Atlanta's history of abusing this tool are still fresh in the minds of many (e.g., 1960's and 1970's mass demolition of entire neighborhoods such as Lighting and Buttermilk Bottom).

Therefore, this tool is intended only as a 'last resort' measure. As such, the pages that follow outline several specific recommended policies and intended procedures for the responsible use of this aggressive power. The location of possible acquisition sites corresponds to the Redevelopment Project Areas shown in Figure \_\_\_\_ earlier in this Part 4 (i.e., all properties within a Project Area).

### 5.4.1 Acquisition Criteria

The following conditions represent criteria under which property may be eligible for public acquisition.

- Sites occupied by abandoned, 'Dilapidated' structures often tax delinquent, which are unsafe and detrimental to the surrounding environment.
- Vacant / under-used sites that reflect patterns of impaired development, economic disinvestment and/or detrimental site uses. Sites classified as vacant and/or under-used include those with vacant structures or without any permanent building improvements, sites used for open storage or other non-intensive development such as parking.
- Properties required to effectuate critically needed public buildings, parks, plazas, and traffic/pedestrian circulation and infrastructure improvements.
- Non-intensively developed, obsolescent, or underutilized commercial/industrial sites which contribute to traffic, land use, and environmental impacts on residential areas and which offer logical opportunities for conversion to more appropriate uses.
- Sites exhibiting severe and persistent tax delinquencies, overdue utility bills or excessive property liens.
- Sites and structures of significant historical, cultural, or architectural distinction which reflect conditions of physical deterioration, vacancy or under-utilization, and/or inappropriate uses, i.e., conditions which can be remedied through high-priority preservation and adaptive re-use action programs.
- 'Substandard' or 'deteriorated' structures that are capable of cost-effective rehabilitation through acquisition and reinvestment by alternative owners.
- Sites that fail to comply with the Future Land Use Plan or represent a significant physical deterrent to developing a larger, critical-mass project.

*The use of public property acquisition (or publically-assisted) is intended to be minimal or non-existent.*



### **5.4.2 Guidelines For Acquisition**

As a matter of policy, this Redevelopment Plan calls for a business-like containment of local government costs and risks associated with front-end property acquisition and initiation of project development. A key strategy will be to involve the sharing of front-end land assembly and project initiation responsibilities with pre-qualified private redevelopment teams approved by the City/ADA. Increased participation by current property owners, community-based organizations, private investors, and business operators during the initial stages of redevelopment can provide a greater economic stake for the community and improve social responsibility for redevelopment outcomes. At the same time, the front-end costs of redevelopment, to be financed by government will be reduced along with fewer short-term losses of tax revenues during acquisition, relocation, and site preparation phases.

The policy of shared acquisition and project initiation responsibilities grants the City/ADA the authority to control future site re-uses and design qualities within targeted redevelopment sites as outlined in this Redevelopment Plan. The City/ADA retains the power to coordinate the provision of appropriate economic incentives for redevelopers and tenants, regardless of how the property is assembled. This policy also calls for the City/ADA to act as the land acquisition and disposition agency of last resort, where needed property redevelopment cannot be achieved through other parties. All property acquisition activities conducted by the City/ADA should directly correspond to community-based priorities and be reviewed by appropriate community-based organizations at all times. The Neighborhood Planning Unit will be instrumental in this regard.

### **5.4.3 Types of Publicly-Assisted Acquisition**

In cases where public assistance is needed, there are two primary types of acquisition that may be utilized by the City/ADA--all based on the City's eminent domain power. They will be determined on a site-by-site basis.

**Direct Public Acquisition:** the most direct and highest priority public acquisition initiatives including; properties required to effectuate public improvements, properties with severe structural deficiencies or properties impinging upon high-priority, larger-scale development. In general, this strategy will involve either a) direct City/ADA acquisition initiatives through negotiated purchases from private owners; b) the City's condemnation and acquisition procedures in the case of recalcitrant owners; and c) property transfer and/or redevelopment agreements with existing public owners.

**Private Acquisition With Public Assistance:** This type of acquisition may be used where private acquisition and private improvements can be assisted by the City/ADA under specified procedures and guidelines. Private redevelopment teams in these areas may include current property owners, community-based institutions, and both existing and new business operators. This strategy seeks to maximize participation for community-based organizations and existing property owners, as well as to attract project commitments from highly capable investors, redevelopers, or businesses not currently present within the area. This mechanism is an excellent way to respond to challenges involving multiple property owners and subdivision and development constraints.

Depending on the nature and scope of the project, the City/ADA may follow alternative procedures for pre-qualification and designation of a preferred redevelopment team. Options include: (1) competitive advertisement and selection based on specified qualifications; or (2) review and approval of a voluntary application from a group for "sole source" selection on the merits of community service track record, properties already controlled, financial and professional experience strengths, intended development program, and specific investment commitment. The City/ADA may also



reserve the authority to designate individual participants in project teams on a “sole source” basis, as required to guarantee attention to housing, economic opportunity, and/or community service benefits for neighborhood residents, or to fulfill conditions of public financing commitments. However, designations of “sole source” participants shall not interfere with the use of competitive procedures to obtain the highest quality private investment, design, and development. All redevelopment teams will be required to enter into a Land Acquisition and Development Agreement that spells out time limits and performance criteria.

Types of public assistance that may be brought to bear include financial support, condemnation/ eminent domain, the provision of relocation assistance, public improvements, legislative support (rezoning, CDP changes, street abandonment, etc.), grants and loan support, third-party mediation, permit expediting, and others.

All acquisitions, regardless of type will be subject to the provision of a uniform standard of relocation benefits and services as allowed by local, state and federal laws and will be subject to disposition procedures and covenants as described later in this section.



## 5.5 Property Disposition & Reuse Plan

As with the Property Acquisition Plan, the concept of official urban redevelopment 'disposition' is intended to be very minimal or nonexistent. To the extent that any property becomes subject to public property acquisition under the auspices of the State urban redevelopment enabling legislation (or is materially publicly-assisted), the following pages set out recommended procedures and policies for governing their disposition and reuse.

### 5.5.1 Eligible Disposition Areas

Similar to the Property Acquisition Plan described above, all properties publicly acquired will be subject to formal 'disposition.' All properties contained within the Redevelopment Projects Map (Figure \_\_\_\_\_) shall be eligible for public acquisition and disposition as enabled by authority of the State of Georgia urban redevelopment Legislation.

### 5.5.2 Disposition Scope & Intent

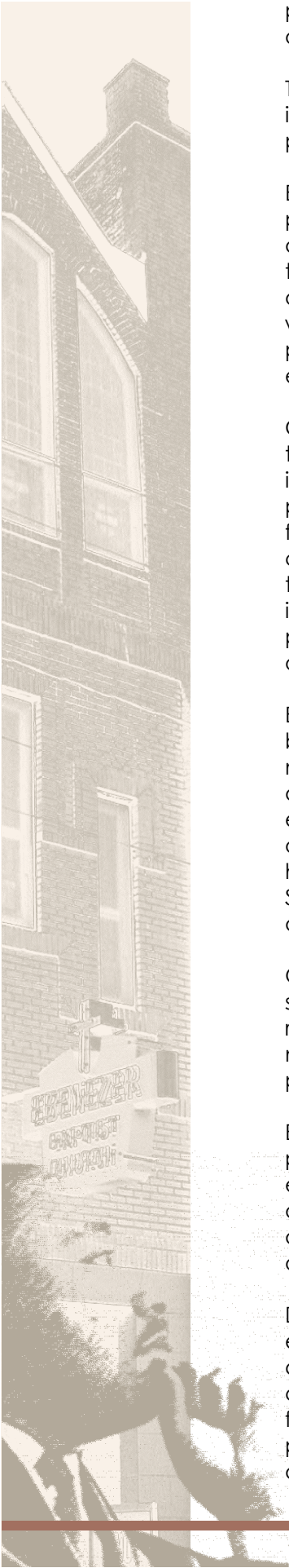
The disposition of publicly acquired property and the allocation of redevelopment rights is subject to provisions of Georgia's redevelopment statutes under which this plan is enabled; the policy and procedural guidelines defined in this section are consistent with these statutory requirements. Policy and procedural guidelines for the conduct of property disposition and controls will be administered by the City and/or The Atlanta Development Authority (ADA). These policies and procedures are intended to protect the interests of the general public and the Butler / Auburn community as well as to encourage and promote high quality private development through a variety of coordinated incentives. The property disposition/re-use process is the key mechanism in the overall redevelopment plan for effecting desirable land use changes, preserving and adaptively re-using historic structures, providing open space and other public amenities, delivering economic opportunity and housing benefits for the community, capturing fiscal benefits for taxpayers, and assuring design excellence in all rehabilitation and construction activity.

### 5.5.3 Property Reuse Designation

Property Reuse will be governed by several aspects contained within this Redevelopment Plan. First, all disposed of properties shall be reused in a manner that supports the Vision, Goals and Objectives contained within Part 1 of this report. Second, the Future Land Use Plan sets out the general intended land use of every parcel within the study area. Third, Part 4.5 sets out very specific redevelopment projects with intended design, layout and programmatic requirements. In particular, the programmatic requirements (or 'Re-use Controls') will be the primary basis for guiding property disposition. It is important to note that stated re-use quantities are approximate and may be varied by up to 10% without being considered a substantial change. It is also important to note that individual circumstances may necessitate variances from the specified controls due to unforeseen conditions or changes in the property subsequent to the approval of this plan. City Council and the Mayor of the City of Atlanta (and/or their designee) will be responsible for promulgating definitions and procedures for what constitutes a 'variance' (i.e., allowing an administrative change) and what constitutes an 'amendment' (i.e., requiring legislative change).

### 5.5.4 Disposition Policies and Incentives

The property disposition policy endorses community redevelopment practices, which are based on public and private co-investment and risk-sharing transactions, offering high probability of equitable returns for all parties. Two fundamental principles will guide



public resource commitments: 1) leveraging of private investment and 2) recoverability of invested public resources.

The following property disposition policies and private redevelopment incentives are intended to balance the respective interests of local taxpayers, Butler / Auburn citizens, private investors, business owners, developers, and current property owners.

**Emphasis on property tax base gains:** Emphasis is placed on expanding the taxable private property base through conversion of non-taxable property, where appropriate, as well as through transfer of fee simple title (rather than use of long-term ground leases) to publicly acquired property. Wherever possible, common open spaces of limited size, off-street parking facilities, or other facilities for community use will be accomplished within privately owned and maintained properties. Review and approval of project plans must emphasize long-term fiscal returns, particularly given the importance of ensuring taxable revenue to support the Eastside TAD.

**Cost recovery and recycling of funds:** To the extent possible, the City/ADA will seek to recover the full public acquisition cost of sites and/or buildings for private re-use, including costs of appraisals, title certificates, property surveys, and closing fees. Sale prices and cost reimbursements will be based on fair market value of the real property for private re-uses in accordance with provisions of this plan and all relevant project controls and covenants. The full property acquisition cost recovery policy is intended to provide public land sale revenues that can be recycled for other public investment initiatives within the study area. Recovered land sale revenues could be assigned to a property acquisition revolving fund or to loan funds supporting economic development or affordable housing purposes.

**Economic development financing incentives:** Many projects in the target area could benefit from economic development financing assistance. Proactive efforts should be made to marshal economic development financing resources including tax-exempt and redevelopment bond financing. Economic development assistance should emphasize recoverable second mortgage loans and loan guarantees, with payments of principal and interest into permanent revolving funds. Such financing could be highly leveraged against equity and first mortgage financing from private sources. Specific amounts and types of assistance will be tailored to site-specific occupancy and marketing objectives, as well as to project cost and risk conditions.

**Obligations for Replacement housing and business facilities:** All projects receiving substantial redevelopment assistance may be obligated to set aside facilities to meet residential or business replacement needs. Such obligations will be determined by negotiations and agreement with the City/ADA based on practical circumstances of project size, uses, locations, and construction phasing.

**Employment and business participation obligations:** Any publicly assisted redevelopment projects may be obligated to meet objectives relating to community-based residents employment and small business participation opportunities. These objectives will be determined on a project-specific basis through the City/ADA project review process and negotiations with the redeveloper for appropriate types of incentives and obligations.

**Deed-restricted covenants:** Restrictive covenants running with the land may be employed to guarantee the continuity of general public and community benefits of redevelopment projects, i.e., notwithstanding potential re-financing or ownership changes of assisted projects. The continued access of eligible groups to business facilities, and employment opportunities for community residents will be assured against potential impacts of economic gentrification. Projects may be protected, where and as appropriate, with: permanent easements for public access, open space,



and landscaping; future site and building space use control; historic preservation mechanisms; and other relevant major design controls such as building height, footprint, setbacks, and materials/colors affecting appearance.

### **5.5.5 Disposition Procedures**

The following procedures for the conduct of property disposition activities are defined as general guidelines for public and private participants in targeted redevelopment projects. It is assumed that the City/ADA will have ample authority to conduct these activities with a high degree of professional objectivity, as well as the discretionary flexibility required to offer reliable public commitments for timely and successful completion of projects. It is important to note that to date, the City/ADA has not formally established any such procedures for conducting redevelopment plan-based property acquisition or disposition. The following procedures are based on other successful models from across the country and are recommended for consideration:

**Redeveloper qualification and designation:** Designation of a qualified redevelopment team will be accomplished without heavy expenditures for competitive proposals and will generally require pre-qualification and designation of a preferred redeveloper consortium prior to land assembly. The City/ADA will advertise and solicit competitive proposals from potential redevelopers and may also respond to unsolicited proposals from existing property owners, community-based organizations, and committed project investors. Depending upon the merits of such proposals and the qualifications of suggested teams, certain "sole source" participants in the project may be designated. A non-profit community development corporation (CDC), operating as a principal in a private redevelopment team, may be exempted from certain financial assurances. However, CDC's will be subject to all other policies and procedures (e. g. design review or jobs allocation, etc.) which support community and general public benefits.

**Preliminary project review:** During the preliminary project review phase, the redeveloper, the City/ADA and the NPU will work to reach agreement in principle as to the following issues: building space uses, site and building design concepts; marketing objectives; special program needs (e.g., accommodation of relocatees, community jobs, etc.); project compliance with zoning and other redevelopment plan controls; private equity and loan requirements and steps to achieve firm commitments; requirements for public financing and other supportive actions and justification for supplementary public acquisition of property; and general principles for the legal transfer of any publicly acquired property. Upon approval, the parties will prepare a Draft Land Disposition and Development Agreement and other legal instruments to serve as the basis for mutual project implementation responsibilities. Mutually agreeable timetables for all phases of project implementation will be a key element of the Draft Agreement.

**Final project approval and commitments:** Final project approval will be conditioned upon the redeveloper's delivery of satisfactory Design Development Phase drawings and any other professional studies which may be required to demonstrate the economic and technical feasibility of proposed construction and marketing plans. Any previous contingencies--concerning regulatory approvals, private financing commitments, public support and financing assistance, and other private and public obligations for the project's success--will be removed. Upon successful conclusion of this work, the City/ADA will issue formal approval of the redevelopment program and design, and the parties will execute a binding Land Disposition and Development Agreement and other restrictive covenants.

**Pre-construction implementation:** The City/ADA will monitor and provide coordination of all private and public commitments to enable a timely construction start. The redeveloper will deliver Final Construction Documents Phase products for City/ADA and NPU review and endorsement of the redeveloper's applications for building permits



and other fees and licenses. The City/ADA will complete obligations for relocation and site preparation and will coordinate preparation of re-use property survey maps, transfer deeds, and other documents.

Property transfer, construction and implementation monitoring: Title to publicly assembled properties should be transferred to the redeveloper prior to construction, contingent upon satisfaction of all pre-construction commitments. Major portions of the purchase price payment may be deferred until construction has been completed and permanent mortgage financing has been closed. Depending upon the economic and social benefits of the project and other merits, the City/ADA may offer further extension of time.

A simpler disposition protocol may be established by the City/ADA for transfers of land for public/institutional re-uses or for small private redevelopments. Throughout the construction period and after permanent financing has been closed, the City/ADA will continue to monitor the performance of public and private obligations.

...this CRP Update is 'preservation-based' and recognizes that the area's history is one of its greatest cultural and market strengths.

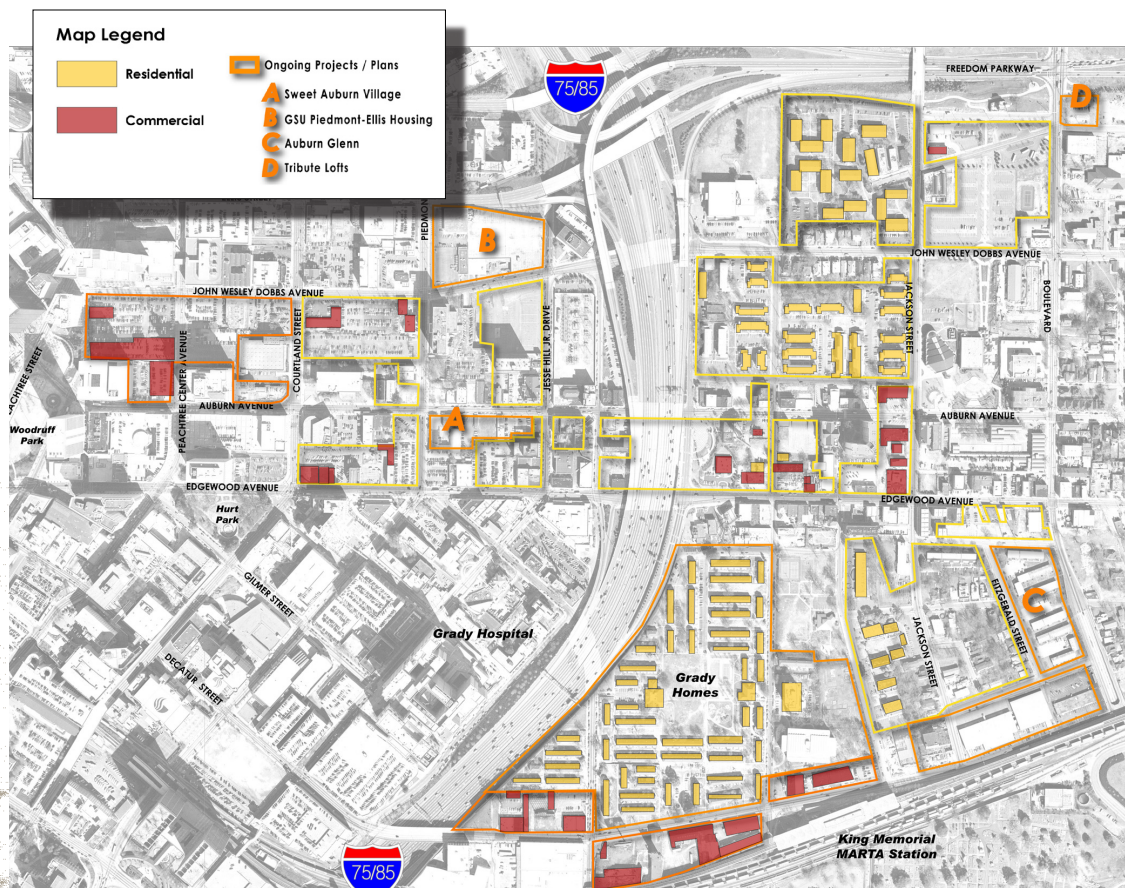
## 5.6 Relocation Assistance & Potential Demolition

This report section on Relocation Assistance is provided in the event that any property is purchased through the use of the official urban redevelopment powers as enabled by this report. As previously mentioned in both the Acquisition and Disposition sections, it is hoped that all property acquisition/assemblage that is necessary to effectuate redevelopment can be accomplished through traditional private market mechanisms with the official urban redevelopment powers used only as a 'last resort.' However, it is critical to understand that, to the extent that it becomes necessary, any publicly assisted property acquisition of an occupied structure will require the obligation to provide all necessary and due Relocation Assistance. In this regard, all relocation benefit standards and procedures will fully comply in spirit and in material with all current federal administration guidelines and regulations. This includes the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as Amended. While these federal benefits typically outpace local and state policies, commitment to these higher levels will protect access to federal funding resources.

### 5.6.1 Potential Demolition Sites

The full redevelopment and revitalization of the Butler / Auburn community as envisioned in this CRP Update will undoubtedly result in the demolition of several structures - some of which will be occupied at the time of redevelopment. To the greatest extent possible, this CRP Update (as with the original CRP) is 'preservation-based' and recognizes that the area's history is one of its greatest cultural and market strengths. In this regard, this plan is designed to minimize the loss of existing buildings, particularly those within the Landmark District. If all plans and projects within this report come to fruition, a total of \_\_\_ structures would be lost to the wrecking ball including \_\_ that are currently occupied (see Figure \_\_\_\_).

Figure 5.6.1:  
Potential Demolition



## 5.6.2 Potential Relocation Assistance Needs

As mentioned throughout this report, aggressive use of urban redevelopment powers such as eminent domain, public acquisition and public disposition is intended to be minimal, or non-existent. Therefore, it is estimated that no public resources will be required to compensate for the burden of demolition and displacement. That however, does not alleviate the obligations of private developers and property owners to deal fairly and professionally with tenants that occupy demolition targets. As such, the table that follows outlines the estimated cost of providing relocation assistance according to federal guidelines and local case-study experience.

### SUMMARY OF POTENTIAL DEMOLITION

TYPE				RELOCATION COST	
RESIDENTIAL DEMOLITION					
Occupied:	Multifamily Rental	352	units	\$	5,280,000
	Multifamily Ownership	0	units	\$	-
	Single-Family Rental	0	units	\$	-
	Single-Family Owner	0	units	\$	-
Unoccupied:	Multifamily Rental	0	units	\$	-
	Multifamily Ownership	0	units	\$	-
	Single-Family Rental	0	units	\$	-
	Single-Family Owner	0	units	\$	-
SUBTOTAL		352	units	\$	5,280,000
NON-RESIDENTIAL DEMOLITION					
Occupied Square Footage		238,884	square feet	\$	1,194,420
Unoccupied Square Footage		25,108	square feet	\$	-
SUBTOTAL		263,992	square feet	\$	1,194,420
TOTAL				\$	6,474,420

Notes:

- 1) Grady Homes was fully vacated prior to the completion of this plan and therefore is not included above.
- 2) Demolition/Relocation estimates are not included for projects that are already under (e.g., Sweet Auburn Village, GSU Student Housing, Auburn Glenn)

Figure 5.2:  
Potential Demolition  
Summary



## 5.7 Duration & Modification of Controls

All of the redevelopment plan controls as described in this plan shall expire, and no longer be in force or effect, after December 31, 2025.

Until all of the saleable and buildable properties in the target area that are eventually acquired by the City have been disposed of, the controls may be amended or variances granted, provided that such changes do not impact the value of specific projects already completed without prior consent of owners or lessees of the impacted projects.

After all of the saleable and buildable property in the area owned by the City has been disposed of, the City shall file a certificate to that effect. Thereafter, upon the written request of the owner of any property, variances from the controls may be granted by the City with respect to such property in such manner as the Mayor and City Council may prescribe.

The Mayor and City Council shall promulgate the terms and procedures under which variances from the controls may be considered and permitted, as well as procedures for amendments to the CRP Update. The Sweet Auburn community shall be instrumental in recommending projects and modifications to the Atlanta Development Authority and/or the City of Atlanta. Major modifications shall require formal amendments to be approved by City Council. Minor amendments that do not cause any substantial alteration of the plan may be accomplished administratively through written action of the Mayor of the City of Atlanta.